



Netflix (NASDAQ:NFLX) Subscription Prices Raised for Canadians

Description

Bad news for Canadian Netflix subscribers!

If you want to watch your favorite shows and have a digital “library” of great movies at your disposal, you may have to shell out one or two dollars more every month.

World’s largest subscription streaming service **Netflix** ([NASDAQ:NFLX](#)), has increased the subscription fee for Canadians. The basic subscription price remains the same, but the company has raised \$1 and \$2 on standard and premium plans, respectively. It’s not a very hefty increase, and Netflix claims it would help them produce more quality content.

Netflix stands as a true disruptor in the entertainment industry. Despite many competitors coming up in recent years (many of them with very decent histories and entertainment pedigree), Netflix is still at the top. So even the small price rise might not turn away many subscribers. But not all companies are in that position, especially [regional companies](#) like **Quebecor** ([TSX:QBR.B](#)).

If a company like Quebecor starts a subscription service like Netflix, it would have a hard time *gaining* a fraction of the client that Netflix has, let alone *retaining* them if it keeps increasing subscription fees. Still, it’s an excellent pick for investors.

The company

Quebecor is a media and telecom company, with the business divided into three primary areas: Telecom, media, and sports & entertainment. Telecom’s major brand Videotron is regionally quite huge, but its national footprint is not so extensive. The company has established a strong regional presence, and that has translated into dependable and consistent business.

It was founded in 1965 with deep roots in the community. It has been a family business since the beginning, and the son of Quebecor’s founder is now the president of the company.

The stock

Quebecor has recently joined the ranks of dividend aristocrats after raising its dividends for five consecutive years. It's currently offering a quarterly dividend of \$0.2 per share, which translates to a modest yield of about 2.4%. The payout is almost double in the amount of the payout in 2019 (\$0.11 per share), which was more than double the amount before that.

If the company plans to keep increasing its dividends at the same pace, that alone might be reason enough to bag this aristocrat. But there is a more compelling reason: Quebecor's healthy growth. The company has grown its share price by about 127% in the past five years, and [the growth](#) has been quite steady.

The dividend-adjust CAGR for the period comes out to an excellent 19% rate, which can be instrumental in propelling your portfolio's growth. The stock also showed remarkable resilience in the market crash and fell by just 20%. And it regained its pre-pandemic peak by mid-September.

Foolish takeaway

One of the most vital points in Quebecor's favour is that it stayed true to its roots. That is one of the key drivers behind investor sentiment. If you couple that with the fact that the company has a strong balance sheet and it's growing its revenues quite steadily, you have a stock that's fundamentally strong with a lot of growth potential.

CATEGORY

1. Dividend Stocks
2. Investing

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2. TSX:QBR.B (Quebecor Inc.)

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